

# Briefing Note for Water Company Boards



## River Rights Charters: A Strategic Opportunity for UK Water Companies

**Purpose** To explain how **river rights approaches and river rights charters** can support water companies to meet existing obligations, reduce risk, improve decision-making and rebuild public trust—without creating new legal liabilities.

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### Key Message for Boards

River rights charters are **not about granting rivers legal personhood** or adding new statutory duties. Properly designed, they are **voluntary, non-statutory governance frameworks** that help companies meet current regulatory expectations more effectively, demonstrate leadership, and future-proof the business.

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### Why This Matters Now

Water companies are operating in a rapidly changing environment:

- Heightened scrutiny from regulators, government and the public
- Rising enforcement action and reputational risk
- Increasing pressure from investors on environmental performance
- Growing expectations for long-term, catchment-scale solutions

The current model—focused on minimum compliance and short regulatory cycles—is increasingly seen as insufficient. River rights offer a credible alternative framing that aligns with the direction of travel.

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## What Is a River Rights Charter?

A river rights charter is a **locally developed statement of the conditions a river needs to thrive**, expressed in clear, outcome-focused terms (e.g. clean water, natural flows, healthy habitats).

Charters:

- Are co-created with communities, regulators and stakeholders
  - Do not require new legislation
  - Provide a shared reference point for decisions and investment
  - Sit alongside existing regulation and plans
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## Strategic Benefits for Water Companies

### 1. Reduced Regulatory and Reputational Risk

Charters help translate diffuse expectations into clear outcomes and early warning indicators, supporting a shift from reactive enforcement to proactive management.

### 2. Clearer Investment Priorities

Rights-based outcomes help target investment where it delivers the greatest river benefit, strengthening business cases and supporting long-term planning beyond AMP cycles.

### 3. Stronger Social Licence to Operate

The language of rights resonates with the public and demonstrates genuine commitment to river health, reducing conflict and increasing trust.

### 4. Improved Partnership Working

Charters act as a unifying anchor for catchment partnerships, clarifying roles and reducing duplication and friction.

### 5. Access to Innovative Finance

Rights-based outcomes provide a compelling narrative and governance framework for blended finance, green investment and partnership funding.

### 6. Future-Proofing the Business

Engaging early allows companies to shape how river rights evolve, rather than reacting to future policy or legal changes.

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## What River Rights Do *Not* Do

- They do not override existing regulation
  - They do not create automatic legal liability
  - They do not replace the role of regulators
  - They do not require water companies to act alone
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## Board-Level Considerations

Boards may wish to consider:

- Supporting pilot river rights charters in priority catchments
  - Using rights-based outcomes to inform long-term strategy
  - Engaging proactively with communities and regulators on charter development
  - Positioning the company as a leader in collaborative river governance
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## Conclusion

River rights charters represent a **practical governance tool**, not a legal risk. For water companies, they offer a way to align regulation, investment and public expectations around a clear purpose: healthy rivers that support both people and nature.

Early engagement provides a strategic opportunity to lead, reduce risk and build long-term resilience in a sector under unprecedented pressure.

### Mapping River Rights Charters to AMP8 & Ofwat Outcomes

AMP8 / Ofwat Priority	Ofwat Outcome / Expectation	How River Rights Charters Support Delivery
<b>Environmental performance step-change</b>	Improved river health, reduced pollution incidents, nature recovery	River rights charters define clear, outcome-led conditions for river health (e.g. swimmable, ecologically functioning rivers), helping companies prioritise interventions that deliver real ecological improvement rather than compliance-only fixes.

<b>AMP8 / Ofwat Priority</b>	<b>Ofwat Outcome / Expectation</b>	<b>How River Rights Charters Support Delivery</b>
<b>Outcome Delivery Incentives (ODIs)</b>	Measurable improvements in environmental outcomes	Rights-based outcomes provide a clear narrative and framework for selecting, monitoring and reporting ODIs linked to river health, biodiversity and water quality.
<b>Long-term resilience</b>	Resilient water and wastewater services under climate stress	Charters anchor decision-making at catchment scale, supporting nature-based solutions, flow restoration and drought resilience aligned with long-term river needs.
<b>Customer and community trust</b>	Improved customer satisfaction and legitimacy	The language of river rights resonates with customers and communities, supporting meaningful engagement and rebuilding trust through visible commitments to river health.
<b>Partnership working</b>	Strong collaboration with catchment partners	Charters act as a shared governance anchor for catchment partnerships, clarifying roles, reducing duplication and aligning stakeholders around agreed river outcomes.
<b>Best value and efficiency</b>	Efficient use of customer funding	Rights-based framing helps target investment where it delivers the greatest catchment benefit, reducing costly redesigns and fragmented interventions.
<b>Transparency and accountability</b>	Clear reporting and performance assurance	Charters support the use of shared indicators and public-facing dashboards, making progress (and challenges) visible and improving confidence in company performance.
<b>Nature-based solutions</b>	Increased use of green and hybrid solutions	Rights-based outcomes strengthen the case for catchment-scale, nature-based approaches that deliver multiple benefits and long-term value.
<b>Blended and innovative finance</b>	Leveraging non-bill funding	Charters provide credible governance and outcome frameworks attractive to investors, NGOs and partners, supporting blended finance and co-investment.

AMP8 / Ofwat Priority	Ofwat Outcome / Expectation	How River Rights Charters Support Delivery
<b>Adaptive management</b>	Learning and improvement over time	Rights-based approaches encourage iterative learning, using monitoring data to trigger proportionate responses rather than one-off interventions.
<b>Delivering for future generations</b>	Intergenerational fairness	River rights explicitly frame rivers as living systems that must function over the long term, supporting Ofwat's emphasis on sustainability beyond AMP cycles.

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### Strategic Value for AMP8 Submissions

For AMP8 business planning, river rights charters can:

- Strengthen **narrative coherence** across environment, resilience and customer outcomes
- Support **credible, outcome-focused investment cases**
- Demonstrate leadership in **collaborative, catchment-based delivery**
- Reduce regulatory and reputational risk by showing proactive stewardship

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### Key Board Takeaway

River rights approaches do not sit outside AMP8 – they **help deliver it**. They provide a practical governance framework that aligns environmental ambition, customer expectations and regulatory outcomes into a single, coherent story.

**Further information** [www.riverrights.org](http://www.riverrights.org)

**Email:** [riverrightsnetwork@gmail.com](mailto:riverrightsnetwork@gmail.com)

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